SIYANCUMA

LOCAL MUNICIPALITY

Policy Title	**SPAZA SHOP POLICY (DRAFT)**
Policy Author/Custodian	
Council Approval Date	
Council Resolution No.	
Policy Inception Date	
Review Start Date	
Review Completion Date	

1. Background

The Siyancuma Local Municipality has experienced a notable increase in the number of Spaza shops throughout its jurisdiction. A key issue arising from this growth is that many Spaza shop owners are not seeking municipal consent for their operations, which means nearby residents are often not consulted, despite the direct impact these businesses can have on their properties.

While the municipality values the role that Spaza shops play improving local access to goods and supporting economic self-sufficiency for residents it is essential for these businesses to function within a regulated framework that balances growth with community interests.

2. Policy Objective

The objective of this policy is to regulate the establishment and operation of Spaza shops within Siyancuma Local Municipality, ensuring that these small businesses operate in a manner that promotes community safety, welfare, supports local economic development, and maintains the residential character of the areas where they are located.

3. Scope

This policy will be applicable in the Siyancuma Municipal Jurisdiction.

4. Definitions

- **Spaza Shop**: A small-scale retail shop, typically operated from a portion of a residential property or adjacent outbuilding, primarily for the sale of basic household goods.
- **Owner**: The registered individual who owns the property where the Spaza shop is located.
- **Tenant**: A person renting the property and operating the spaza shop, with written permission from the owner.

- **Certificate of Acceptability**: A certificate issued by the district Environmental Health Department confirming that the premises meet the required health standards.

5. Application and Registration

All Spaza shops within Siyancuma Local Municipality must be registered with the municipality. The process for registration includes:

1. Submission of an application form.

2. Submission of supporting documents including:

    - proof of ownership or lease, a site plan, and a business description.
    - Certified copy of applicant's ID or valid passport.
    - Proof of residence (e.g., municipal account or affidavit from landlord).
    - Proof of a bank account (minimum 3-month bank statement).
    - Valid SARS registration.
    - Proof of municipal registration (business rates or account).

3. Written consent from adjacent property owners or residents.

4. Payment of applicable registration fees.

No illegal immigrants and/or asylum seeker permit holder who is not in

compliance with the Immigration Act No. 13 of 2002 shall be allowed to operate a Spaza Shop in the municipal jurisdiction.

- Only suitably qualified South African nationals shall operate Spaza Shops in the municipal jurisdiction.
- Notwithstanding the conditions in and above, Non-South African nationals may be allowed to operate a Spaza Shop on condition that:
    - Their residence status is lawful in South Africa and permits them to work or conduct any business in South Africa.
    - They are compliant with the Immigration Act No. 13 of 2002.

- They are compliant with the Refugees Act No. 130 of 1998.
- They are compliant with the Municipal Bylaw and any other applicable laws.

Before issuing a permit, the Municipality shall invite comments or objections from adjacent property owners. Only objections based on material concerns such as noise, safety, or traffic will be considered. Upon approval, Spaza shop operators will receive a certificate valid for one year, which must be renewed annually. This certificate must be displayed prominently in the shop.

6. Size and Location

- **Size Limit**: The floor area of a spaza shop shall not **exceed 25 square metres.** The shop must be situated no closer than two (2) metres from any boundary line of the property Any expansion beyond this size must be reviewed by the relevant municipal departments and approved by the **Town Planning** section.

- **Location**: Spaza shops must operate from residential premises. The property must retain its primary use as a residence. No spaza shops are allowed on public spaces, sidewalks, or vacant plots.

7. Health and Safety Requirements

- **Health Inspections**: All Spaza shops selling food must meet the health and safety standards as prescribed by the district. A certificate of acceptability from the Municipal Environmental Health Department is required before the shop can begin operations.

- **Fire Safety**: Each Spaza shop must have a 9kg dry powder fire extinguisher on-site. Any electrical installations must comply with national and local safety standards.

Any property that is legally used for a Spaza Shop may not be simultaneously used as a Tavern, Shebeen, or any other land use which, in the sole discretion of the Municipality may place any person in a vulnerable position and compromise the public health and safety.

8. Zoning Compliance

Spaza shops must adhere to the zoning regulations of Siyancuma Local Municipality, ensuring that their activities do not negatively impact the residential character of the neighbourhood. Applications must include a zoning compliance certificate issued by the **Town Planning** department.

9. Operational Guidelines

- **Operating Hours**: Spaza shops may operate between **6:00 AM and 9:00 PM**, unless otherwise specified by the municipality.
- **Signage**: Only one small sign (not exceeding **150cm x 100cm**) identifying the business is allowed. No other forms of advertising are permitted outside the premises.
- **Noise Control**: Spaza shops must operate in a manner that minimizes noise and disturbance to neighbouring properties.

10. Prohibited Activities

- **Food Preparation**: No food preparation for sale is allowed on the premises unless the operator has received a trading license under the **Business Act (1991)**.
- **Hazardous Materials**: The sale of flammable or hazardous materials is prohibited, except for paraffin, which may be sold under strict conditions.
- **Industrial Activity**: No industrial activities, including the use of heavy machinery or manufacturing processes, are permitted in Spaza shops.

11. Waste Management and Environmental Protection

Spaza shop operators must comply with municipal waste disposal regulations. Waste from the shop must be disposed of properly, and operators are required to maintain cleanliness and hygiene in and around the premises to prevent infestations of rodents and insects.

12. Monitoring and Compliance

Municipal inspectors will conduct regular inspections to ensure that Spaza shops comply with health, safety, and zoning regulations. Non-compliance will result in warnings, fines, or the revocation of operating licenses.

13. Public Participation and Objections

Before a Spaza shop is approved, adjacent property owners or tenants may submit objections. These objections will be reviewed by the municipality, and the applicant will have an opportunity to address any concerns. The municipality will only consider objections based on legitimate concerns such as noise, traffic, or safety, and will not entertain objections based purely on competition.

14. Review and Amendment of Policy

This policy will be reviewed on an annual basis to ensure that it remains effective and aligned with the community's needs. Amendments will be made as necessary based on community feedback and changes in national legislation.

15. Enforcement and Penalties

- **Penalties**: Non-compliance with this policy will result in fines and, in severe cases, the closure of the Spaza shop.
- **Revocation of License**: Repeated violations may lead to the permanent revocation of the operating license.
- **Appeals**: Operators may appeal decisions made by the municipality by submitting a written appeal within 30 days of receiving notice of non-compliance or penalties.

15.1 Schedule of Fines for Non-Compliance

Offence	Penalty (ZAR)
Operating a Spaza shop without municipal registration or approval	R3,000
Operating outside approved trading hours	R1,000
Failure to display valid registration certificate	R500
Sale of hazardous or prohibited goods (excluding authorised paraffin)	R2,500
Structural non-compliance (e.g., unapproved building modification)	R2,000
Use of excessive or unauthorised signage	R1,000
Obstruction of municipal inspections or failure to comply with inspection orders	R2,500
Repeated violation (2 or more offenses within 12 months)	Up to R5,000 and license review or revocation

15.4 Enforcement Process

- A written notice of non-compliance shall be issued.
- If not resolved within 14 working days, penalties will apply.
- Continued non-compliance may lead to **temporary closure**, followed by **license revocation** upon review.

15.5 Appeals

- Any operator may lodge a written appeal against a penalty or enforcement action within 30 days to the Municipal Manager or delegated authority.

16. Related Legislation

This policy aligns with the following key legislation:

a. **Business Act (1991)**

The **Business Act** provides the foundation for regulating small businesses, including tuck shops, ensuring they operate legally within designated zones. It sets requirements for licensing, which allows municipalities to oversee and manage these businesses effectively.
Under this act:

- Spaza shops must obtain a valid business license.
- Licensing requirements ensure tuck shops operate in ways that align with community standards and municipal zoning laws.

b. **Northern Cape Development and Planning Act (1998)**

This Act governs land use and development within the Northern Cape, including Siyancuma Local Municipality. It provides the framework for:

- **Land Use and Zoning Compliance**: Ensuring tuck shops adhere to municipal zoning regulations.
- **Development Planning**: Aligning Spaza shop establishment with local economic development goals and spatial planning.
- **Permit Requirements**: The municipality can issue permits specific to Spaza shops to control their impact on residential areas.

c. **National Building Regulations**

The **National Building Regulations** govern the structural requirements for buildings and modifications used for business purposes, including tuck shops. Key aspects include:

- **Structural Safety**: Ensures that tuck shops meet safety standards, particularly when modifications are made to residential properties.
- **Building Plan Approvals**: Any structural changes made to accommodate a Spaza shop must be approved by the municipality to comply with building codes.

- **Fire and Health Safety Standards**: Spaza shops must follow safety protocols, ensuring they do not pose risks to the operators or surrounding community.

Short title

This policy shall be called the Siyancuma Local Municipality's Spaza Shop Policy

Policy implementation

The policy shall commence once approved by Council.

16. Approval

Council Resolution NR: _____

Signature: _____ Date: ____ / _____ / _____
Johannes George
Speaker

Signature: _____ Date: ____ / _____ / _____
Madoda Vilakazi
Municipal Manager